Illinois Department of Revenue

INFORMATIONAL BULLETIN

March 1989

## + ENTERPRISE ZONE ACT SALES TAX EXEMPTION

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|TO:|Building-Materials To Qualify for an +---+Retailers Located Within the City of the Village of Washington Park

If your business does not sell building materials, please disregard this bulletin.

Enterprise Zone Expanded

The Illinois Department of Commerce and Community Affairs has expanded the East St. Louis Enterprise Zone to include certain areas of the Village of Washington Park effective December 1, 1988.

The local taxing jurisdiction has adopted an ordinance providing a sales tax exemption of state, local, and county supplementary taxes on certain sales of building materials which will be incorporated into real estate in the zone. (The Metro-East District Mass Transit Tax is not exempt.)

Exemption

East St. Louis and For the sale to qualify for an enterprise zone exemption, you must:

- 1. Be located within the city of East St. Louis or the Village Park.
- 2. Make a sale on or after December 1, 1988 of building materials which will be incorporated into real estate in the expanded area of the zone by means of remodeling, rehabilitation, or new construction.

Note: The building improvement must be of the nature and scope for which a building permit is required by the building code. To the purchaser must provide you with a copy of the building permit and a signed statement indicating bulletin. the address in the enterprise zone at which the building materials will be incorporated. See reverse side for an example of a Purchaser's Statement.

To Claim an Exemption

To claim an enterprise zone exemption you must:

- 1. Report gross receipts from these sales on line 1 of your sales tax return (Form RR-1-A).
- 2. Deduct the receipts on line 13 or 14 and identify the deduction as "Enterprise Zone Sales." Include the Metro-East District Mass Transit Tax collected.
- 3. Add back to line 46 the Enterprise Zone sales receipts deducted in line 13 or 14, minus the Metro-East District Mass Transit Tax collected.

If you have questions or verify the exemption, need more information, please contact us. Our address and phone numbers are provided at the end of this

INFORMATION

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